

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Criminal No. 11-  
 :  
 v. : 18 U.S.C. § 1341  
 : 18 U.S.C. § 2  
 : 26 U.S.C. § 7201  
 LA'VADA CRUSE : 18 U.S.C. § 1028A(a)(1) and (c)(5)

**INFORMATION**

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

**COUNT ONE**

**MAIL FRAUD (18 U.S.C. § 1341)**

**The Defendant and Relevant Entities**

1. At all relevant times to this Information:
  - a.. The defendant LA'VADA CRUSE resided at 110 Hunter Boulevard, Browns Mills, New Jersey 08015.
  - b. J.P. Morgan Chase Bank, N.A., (hereinafter "J.P. Morgan Chase"), headquartered in Columbus, Ohio, was a lender for student loans.
  - c. Education One Undergraduate Loan ("Education One") was a loan product of Bank One and J.P. Morgan Chase (Bank One was purchased by J.P. Morgan Chase Bank, N.A. on or about July 1, 2004).
  - d. First Marblehead Education Resources (hereinafter, "First Marblehead"), located in Boston, Massachusetts, was a corporation that facilitated and processed the Education One student loan program for Bank One and J.P. Morgan Chase.

### **The Defendant's Scheme**

2. From in or about December 2003 to on or about May 9, 2007, in Burlington County, in the District of New Jersey and elsewhere, the defendant,

LA'VADA CRUSE,

knowingly and willfully devised and intended to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, as described below.

3. It was part of the scheme and artifice that beginning in or about December 2003 and continuing through on or about May 9, 2007, defendant LA'VADA CRUSE fraudulently obtained approximately \$192,000 in student loan proceeds from a number of financial institutions.

4. It was further part of the scheme and artifice to defraud that defendant, LA'VADA CRUSE filed over ninety (90) student loan applications that: (a) used the names, dates of birth and social security numbers of friends and relatives without their consent; (b) contained fraudulent personal financial information and co-borrower biographical information; (c) included forged college enrollment letters (from Burlington County College and other schools); and/or (d) were supported by fraudulent employment verification documents. Approximately 17 of the student loan applications filed by CRUSE were approved. Generally, if the student loan applications were approved, CRUSE received the funds in the form of a check mailed to her residence. Upon receiving the funds, CRUSE fraudulently endorsed the checks and deposited them in one of a number of bank accounts she controlled. None of the funds were used to pay tuition at any school.

5. For example, in December 2005, defendant LA'VADA CRUSE fraudulently obtained a \$22,000 student loan through Education One from J.P. Morgan Chase as follows:

a. On or about December 5, 2005, CRUSE completed and signed a student loan application in which she sought a loan for \$22,000 purportedly to attend Burlington County College from January 2006 through September 2006.

b. The loan application fraudulently listed D.C., CRUSE'S sister, as the "student borrower" and fraudulently listed J.W., CRUSE'S grandmother, as the cosigner of the loan.

c. The loan application contained D.C.'s and J.W.'s correct social security numbers and D.C.'s correct date of birth.

d. The loan application falsely listed D.C.'s home address as 110 Hunter Boulevard, Browns Mills, New Jersey 08015.

e. The loan application contained a fictitious Form W-2 Wage and Tax Statement for J.W. from a business named "Wilson's" located at 300 N. Spring Garden Street in Philadelphia, Pennsylvania that was prepared by CRUSE.

f. The loan application also contained a fictitious personal reference.

g. On or about December 7, 2005, CRUSE caused the loan application to be faxed from a pharmacy in Browns Mills, New Jersey to First Marblehead Education Resources in Boston, Massachusetts.

h. On or about December 13, 2005, Chase Bank issued a check payable to D.C. and J.W. for \$22,000 and mailed it to D.C. at 110 Hunter Boulevard, Browns Mills, New Jersey 08015.

i. On or about December 16, 2005, CRUSE caused the \$22,000 check to be deposited into her Bank of America account.

j. CRUSE fraudulently endorsed the names of D.C. and J.W. on the check.

6. On or about December 13, 2005, for the purposes of executing the aforesaid scheme and artifice, at Browns Mills, in Burlington County, in the District of New Jersey, and elsewhere, the defendant,

LA'VADA CRUSE,

did knowingly and willfully cause to be delivered by the United States Postal Service, certain mail matter, namely a check payable from Chase Bank.

In violation of Title 18, United States Code, Section 1341 and Title 18, United States Code, Section 2.

**COUNT TWO**

**INCOME TAX EVASION (26 U.S.C. § 7201)**

1. Paragraphs 1 and 3 through 5 of Count One of this Information are realleged and incorporated herein.
2. On or about March 5, 2006, defendant, LA'VADA CRUSE filed a 2005 tax return on behalf of herself. That return stated that her total income for the calendar year 2005 was \$12,286.00 and that she was due a refund in the amount of \$2,662.00.
3. The return, however, did not include approximately \$75,214 in additional taxable income defendant LA'VADA CRUSE received in 2005 through her fraudulent scheme to obtain student loans. Upon this income, a tax of approximately \$19,380 was due and owing to the United States.
4. On or about March 5, 2006, in the District of New Jersey, the defendant  

LA'VADA CRUSE,

knowingly and willfully did attempt to evade and defeat a substantial part of the income tax due and owing to the United States in that she signed and caused to be filed a false and fraudulent 2005 U.S. Individual Income Tax Return, Form 1040, knowing it to be false and fraudulent.  

In violation of Title 26, United States Code, Section 7201.

**COUNT THREE**

**INCOME TAX EVASION (26 U.S.C. § 7201)**

1. Paragraphs 1 and 3 through 5 of Count One of this Information are realleged and incorporated herein.
2. On or about January 5, 2007, defendant LA'VADA CRUSE filed a 2006 tax return on behalf of herself. That return stated that her taxable income for the calendar year 2006 was \$15,514.00 and that she was due a refund in the amount of \$7,007.00.
3. The return, however, did not include approximately \$72,500.00 in additional taxable income defendant LA'VADA CRUSE received in 2006 through her fraudulent scheme to obtain student loans. Upon this income, an additional tax of approximately \$21,630.00 was due and owing to the United States.
4. On or about January 5, 2007, in the District of New Jersey, defendant  

LA'VADA CRUSE,

knowingly and willfully did attempt to evade and defeat a substantial part of the income tax due and owing to the United States in that she signed and caused to be filed a false and fraudulent 2006 U.S. Individual Income Tax Return, Form 1040, knowing it to be false and fraudulent.  

In violation of Title 26, United States Code, Section 7201.

**COUNT FOUR**

**AGGRAVATED IDENTITY THEFT (18 U.S.C. § 1028A(a)(1) and (c)(5))**

1. Paragraphs 1 and 3 through 5 of Count One of this Information are realleged and incorporated herein

2. On or about December 5, 2005, at Browns Mills, in Burlington County, in the District of New Jersey, and elsewhere, the defendant,

LA'VADA CRUSE,

did knowingly use, without lawful authority, a means of identification of another person, to wit, a social security number, during and in relation to an offense under Title 18, United States Code, Section 1341, to wit, mail fraud.

In violation of Title 18, United States Code, Section 1028A(a)(1) and (c)(5) and Title 18, United States Code, Section 2.



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PAUL J. FISHMAN  
United States Attorney

**CASE NUMBER: 2009R00093**

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**United States District Court  
District of New Jersey**

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**UNITED STATES OF AMERICA**

**v.**

**LA'VADA CRUSE**

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**INFORMATION FOR**

18 U.S.C. § 1341  
26 U.S.C. § 7201  
18 U.S.C. § 1028A(a)(1) and (c)(5)  
18 U.S.C. § 2

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